



PRESS RELEASE

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ATTORNEY GENERAL CYNTHIA H. COFFMAN FILES SECOND LAWSUIT AGAINST BUSINESS TARGETING MILITARY SERVICE MEMBERS

DENVER – Colorado Attorney General Cynthia H. Coffman revealed today that her office has filed a lawsuit in Denver District Court against USA Discounters, LTD, d/b/a USA Living and d/b/a Fletcher's Jewelers ("USA Discounters"). The lawsuit alleges that these companies have repeatedly violated Colorado's consumer lending laws.

"Our military service members are susceptible to scams particularly while serving away from home and we must take aggressive action to protect them. We must curb the business practices of companies targeting service members and their families for illegal lending practices," said Attorney General Cynthia H. Coffman.

According to the Attorney General's complaint, USA Discounters was in the business of selling consumer goods and services on credit from its two locations in Colorado Springs. The complaint alleges that the defendant focused heavily on credit transactions with members of the military and their families, often locating its stores in close proximity to large military bases, such as Fort Carson Army Base and Peterson Air Force Base in Colorado Springs.

This is the Attorney General's second major lawsuit in the last several months against retailers targeting military families. And, like in the [Freedom Stores case](#), USA Discounters was subject to an earlier examination that identified significant problems with its credit practices, including charging of excess fees, charging of improper late fees, failure to provide a mandatory notice of right to cure a default, and extending additional credit on

closed accounts without a new or refinanced loan agreement. Despite its agreement to correct those deficiencies, a follow-up examination by the Attorney General in 2014 revealed that many of those violations were not corrected. According to the complaint, that exam also revealed that USA Discounters was filing suit against Colorado-based service members in Virginia instead of in Colorado as required by applicable law, and was engaging in unconscionable collection practices.

The complaint filed seeks consumer restitution, a permanent injunction from filing suits against Colorado consumers in foreign jurisdictions, and penalties among other relief.

To learn more about the regulation of consumer credit, file a complaint, or view a list of registered supervised lenders and their disciplinary history, visit the Attorney General's office online at

www.coloradoattorneygeneral.gov/departments/consumer_protection/uccc_car/uccc.

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